MINUTES OF WORKSHOP
DANIA BEACH CITY COMMISSION
AFFORDABLE HOUSING: CITY-OWNED PARCELS IN THE CRA
MONDAY, OCTOBER 29, 2018 - 10:00 A.M.

1. Call to Order/Roll Call

Mayor James called the meeting to order at 10:01 a.m.

Present:

Mayor:	Tamara James
Vice-Mayor:	Bill Harris
Commissioners:	Chickie Brandimarte
	Bobbie H. Grace
	Marco A. Salvino, Sr.
Assistant City Manager:	Colin Donnelly
City Attorney:	Thomas J. Ansbro
City Clerk:	Thomas Schneider

2. Discussion of Affordable Housing: City-Owned Parcels in the CRA

Commissioner Grace spoke of attending the FRA Conference last week. She now realizes we are on the right track with having this workshop and moving forward with affordable housing, as well as moving forward with giving the 12 lots to the CRA. Additionally, she wants this Commission to start going out for RFPs for the two homes to be built as part of the Oasis program.

Commissioner Salvino noted he got a lot from the FRA Conference. He explained why he is opposed to giving the additional 12 lots to the CRA at this time; there is no hurry with this and he would like to see if this program works out. He addressed issues that remain to be worked out. The issue today is that we are talking about giving more lots to the CRA and he does not understand the rush to do so. He is opposed to a transfer at this time as he would like to see the program get underway and see what funding can be brought to it. A decision should not be made until the new Commission comes in.

Mayor James questioned the progress of the two Smith store properties.

Assistant City Manager Donnelly responded a meeting was held last week with staff and we will soon be soliciting an architecture firm from the three we have continuing services agreements with.

Commissioner Grace noted she would like the homes that will be built to be opened up not only to police officers and teachers, but also to other City employees.

Mayor James said she also attended the FRA Conference, which was very valuable. The CRA has presented the entire program to all of us and there is nothing in the program that we do not know about. A speaker at the conference spoke about displacement, but noted those people were placed in homes under the program. The process is that we should begin the next phase of this program. She spoke about the issue that came up at the Commission meeting about nothing being done for parts of the City outside the CRA; the City Manager or Assistant City Manager, along with the Commission, have had every opportunity to come up with a program, which did not happen. She added there are not many properties outside the CRA area that we can build on. The plan for the CRA was adopted in 2015, and they have everything they need to do their job and we are not giving them the proper resources they need.

Commissioner Brandimarte commented that all of a sudden we are in a big rush to give the lots to the CRA and there are too many unknowns. She questioned how we can legally restrict these lots to residents that qualify and live in the CRA area since the monies come from taxpayers throughout the City. She asked how Habitat For Humanity would work with us and addressed several other questions that require answers before making any decisions, which should not be made until after the election. We need to know how the process works before we add more lots, and also we need to see how other cities do it. She has never wanted to be in the housing business. She spoke of FPL and other large companies; they probably have funds for affordable housing. She questioned who pays for the plans and permits, and noted she stands by her word on the six lots, but not for the other lots.

Vice-Mayor Harris noted the appraisals on the additional lots are rather old, and said the first thing we would have to do is re-appraise them.

Rickelle Williams, CRA Executive Director, explained that after the last Commission meeting, she had the 12 properties appraised; the value is not that much higher than before. They added one more lot, #5, which was not on the original list, and the total appraised value has gone up about $90,000.00. She noted we have mirrored our program after other cities and explained we would be in the second position to the lender on the mortgage. She explained the down payment is the biggest barrier to getting into a home, and addressed permitting and outside funding.

Commissioner Salvino said we already had six lots and a program underway. He does not understand why Director Williams is pushing for other lots and questioned who authorized the appraisal. He asked why we are being pushed.

Director Williams explained how this has not been a push by CRA staff, but rather at the direction of the CRA Board. It appeared the Board wanted this.

Vice-Mayor Harris spoke of the importance of having a program that is project ready. The six is a good start; we can create an affordable housing trust by which the City Commission can control the future use of all the properties in perpetuity. He also spoke of creating a regional activity center with enough properties in a concentrated area of the CRA. He wants to make sure we are doing the process right and we have final say.

Commissioner Grace concurred with Vice-Mayor Harris. She noted she was the one who said we need to move this forward. She met with Habitat for Humanity and City staff and explained how they operate with their funding, which is at least three years out. She thought we could move forward faster. We are trying to eradicate a blighted area and put taxpayers in homes they will be happy with and that will add to the tax base. There is no hidden agenda; only a concern for first-time homebuyers getting into homes before three or four years out.

Mayor James said that the Commission moving the properties to the CRA does not mean the homes will be built today or tomorrow or even in the next year, but gives the CRA the ability to show the program and what we have in order to ask for additional funding. The Commission would still be in the driver's seat even if we transfer the lots to the CRA. We just want to give the CRA the resources they need to go out and get the funding. Her understanding is development outside the CRA will contribute to the trust fund and those monies may be used outside the CRA.

Director Williams further explained how the trust fund would work.

Commissioner Salvino asked why it has taken the City so long to do something with these lots and why the duplexes have not been put up for auction.

City Attorney Ansbro explained once the lots are surplussed, they would go directly out to the public for sale.

Mayor James noted we have lots that we have sold to the public; five are still vacant. We cannot trust that the developers are going to build on the land, and we cannot make them do so. The transferring of the lots does not mean homes will be built in the near future; they will give a boost to the pilot program to get funding.

Commissioner Brandimarte said she wants to first see the program proven with the six lots. The next Commission could change this and questioned why we are in such a rush.

Director Williams spoke of the market rate housing project on the Smith store parcels, which will yield two homes. The CRA is trying to leverage an in-kind contribution from the City; we have a plan to move forward to get an increase to the tax base. Our intent is not to sit on the lots, but to find additional resources to make sure we are adding to the tax base. Ten properties were put up for sale in 2012 and six of the eight sold are still vacant. She proposes homes that will inspire other people who own vacant lots to also invest and develop and to follow our lead.

Commissioner Grace asked about the duplex on 5th Street that nothing has been done with.

Marc LaFerrier, Director of Community Development, noted the property had never been declared surplus by the Commission and was not brought forward to the Commission to request to be surplussed.

Vice-Mayor Harris questioned if the duplex could be renovated to incorporate it into the affordable housing program.

Director of Community Development LaFerrier said yes, if that is what the Commission and CRA Board wants to do.

Director Williams addressed the multi-family opportunities within the 12 lots; the CRA Board could decide to do a mix of ownership and rental on an affordable level. We could look at the duplex, which would be valued a little higher than single-family homes.

Assistant City Manager Donnelly addressed the surplus property sold in 2012; the intent of the Commission at that time was to put the property back in circulation so that if the economy was right, people would build housing. He also addressed the escheated properties from Broward County and the properties associated with the airport agreement. He noted we have not sold the properties and explained the strategy for their use. He spoke of the property at 56 NW 8th Avenue, which was purchased with CDBG funds. His understanding is we would have to pay the money back if we did not follow through with our original obligations for its use. Lastly, the Oasis properties were not purchased as a housing program; the cost was for the property and it has cleaned up the neighborhood. The return on investment has already started.

Commissioner Grace stated she is not in favor of the duplex and the absentee landlords. The City is not going to go in there and be a landlord because that is not the business we are in. She does not want someone living elsewhere to own it. The best thing we can do with it is to buy it, tear it down and build a new home on the property. She noted she would like to put the vacant lots on the next Commission meeting agenda.

Commissioner Salvino felt perhaps we should put the two lots with the duplexes on the next Commission agenda so the money is available to help with the program.

Mayor James said she wants to eradicate the problem; we cannot guarantee the buyers of the property will do anything with the property.

Vice-Mayor Harris asked about the ordinance for the Affordable Housing Trust Fund.

James White, Weiss Serota, Special Counsel, explained the next step is to complete the Affordable Housing Linkage Study in order to finalize the affordable housing ordinance, which would establish the trust fund and would set out fees for developers to contribute based on their impact. The study should be finalized by the end of the year; it establishes the legal basis for charging the impact fee on development.

Vice-Mayor Harris questioned if we could incorporate a percentage of the impact or the building fee that would go into the Affordable Housing Trust Fund.

Attorney White responded yes and explained the difference in methodology for residential and commercial. We will not know the details until we get the study back.

Commissioner Grace requested the item conveying the lots to the CRA be placed on the November 13, 2018 City Commission agenda.

3. Adjournment

Mayor James adjourned the meeting at 11:05 a.m.

ATTEST:

Thomas Schneider

THOMAS SCHNEIDER, CMC
CITY CLERK

DANIA BEACH
ESTABLISHED 1904

CITY OF DANIA BEACH

Tamara James

TAMARA JAMES
MAYOR

Approved November 13, 2018

AT home DANIA BEACH
First-time Homebuyer Program

One aspect of the At Home Dania Beach Program is to provide affordable housing opportunities through a First-time Home Buyer program. The Dania Beach Community Redevelopment Agency (CRA) assists First-time Home Buyers with down payment/closing costs for the purchase of a first home, developed through the CRA's program.

- The CRA provides up to $20,000* in assistance to be used toward a down payment and/or closing costs.
- The assistance will become a second mortgage and take the form of a 0% forgivable loan for a ten-year period.
- CRA assistance will be subordinate only to a mortgage on the same property from the primary lender.
- Must own and occupy property for 10 years to qualify for loan forgiveness (proration may apply).
- All properties will have a Restrictive Covenant to ensure future affordability.
- All eligible and approved applicants will enter a lottery to be able to purchase the home.

Eligibility Requirements

- Reside in the Dania Beach Community Redevelopment Area (1st Priority)
- Reside within the City of Dania Beach but outside of the CRA (2nd Priority)
- Be a First-Time Home Buyer (must not have owned a home in the last 3 years)
- Be employed or retired
- Meet income requirement for Broward County - 80% Area Median Income (based on HUD)
- Have acceptable credit score (680 desired)
- Attend and Complete the approved Home Buyer Education Course offered at City Hall, provided by CRA
- Submit application and required documents to a Preferred Lender
- Must qualify and be approved for a first mortgage from a preferred lender/financial institution

Required Documents

- Application (signed)
- Identification:
  - ID (Florida driver's license, voter's registration card or FL ID card)
  - Birth Certificate or United States Passport
  - Marriage Certificate (if owners/co-owners last name is different than spouse)
  - Divorce Certificate
  - Verification of residence, i.e. Alien Registration, etc.
- Income
  - Last 3 months bank statements (All pages) for CHECKING and SAVINGS
  - Gift Letter is required if a relative is GIVING funds toward the purchase
  - Latest statement for all IRA's, 401Ks, 457K, Profit Sharing, Stocks, Bonds, Mutual Funds, etc.
  - 90 day Commitment Letter / Pre-Approval from a lender-required with submission of application.
  - Signed last 2 years Income Tax forms with W2's
  - Verification of employment: pay stubs to cover last 6 months
  - Profit & Loss Statement (if self-employed)
  - Current Social Security Award letter – if applicable
  - Worker's Compensation letter – if applicable
  - Unemployment Compensation letter – if applicable
  - Pension Statement – if applicable
  - Child Support (Court Order) – if applicable
  - Alimony (Court Order) – if applicable
  - VA Benefits (Award Letter) – if applicable
  - Food Stamps (Award letter) – if applicable

DANIA BEACH
COMMUNITY REDEVELOPMENT AGENCY

*Assistance may vary pending identification and availability of funding

Attachment A: Property Description

	Site Address	Date Acquired by City	Folio Number	Zoning Designation	Area (AC)	Lot Dimensions	Clean Title (Y/N)	Structure (Y/N)	Buildable	Appraisal Value as of 10-26-2018
1	OLD GRIFFIN Rd	11/14/1995	504234060640	NBDHD-RES	0.10	30' W X 100' D	Y	N	Vacant; Buildable; May Require Variance	$14,800.00
2	524 NW 3RD TER	9/20/2016	504234060260	NBHD-RES	0.09	37' W X 100' D	Y	N	Vacant; Buildable; May Require Variance	$18,750.00
3	509-511 NW 3RD TER	3/30/2012	504234060230	NBHD-RES	0.12	50' W X 100' D	N	Y	Multi-Family Development (Currently Duplex)	$215,000.00
4	137 NW 4TH AVE	2/1/2013	504234011190	CC	0.12	52' W X 108' D	Y	N	Vacant: Buildable For Apartment, Live-Work And Commercial Or Mixed-Use	$81,300.00
5	56 NW 8TH AVE	11/15/2002	504234230130	NBHD-RES	0.19	50' W X 180' D	Unknown	N	Vacant; Buildable; May Require Variance	$49,000.00
6	608 W DANIA BEACH BLVD	6/5/2007	504234012520	NBHD-MU	0.25	108' W X 103' D	PENDING	N	Vacant; Corner Lot; Buildable For Multi-Family Residential, Mixed-Use And Commercial Use	$108,500.00
7	PHIPPEN RD	10/6/2011	504234300200	NBHD-RES	0.05	25' W X 80' D	N	N	Vacant; Buildable; May Require Variance	$12,000.00
8	PHIPPEN RD	9/20/2016	504234300220	NBHD-RES	0.05	25' W X 80' D	N	N	Vacant; Buildable; May Require Variance	$12,000.00
9	PHIPPEN RD	3/30/2012	504234300230	NBHD-RES	0.05	25' W X 80' D	N	Y	Vacant; Buildable; May Require Variance	$12,000.00
10	PHIPPEN RD	9/20/2016	504234300240	NBHD-MU	0.05	25' W X 80' D	Y	N	Vacant; Buildable; May Require Variance	$12,000.00
11	PHIPPEN RD	9/20/2016	504234300250	NBHD-MU	0.05	25' W X 80' D	Y	N	Vacant; Buildable; May Require Variance	$12,000.00
12	NW 14TH WAY	9/20/2016	504233150060	NBHD-RES	0.11	70' W X 70' D	Y	N	Vacant; Buildable; May Require Variance	$39,200.00
	Total				1.23					$586,550.00

RESOLUTION NO. 2012-037

City of Dania Beach 2012 Surplus Property Activity

	Address	Description	Folio	Appraised Value in 2012	Sales Price	Sale Date	Current Status	Realtor Assigned
1	Stirling Road/SW 4th Ave	Vacant Parcel in CRA	5142-03-38-0640	$ 100,000.00	$ 101,000.00	7/6/2012	Still Vacant	Royal Realty Investment Group
2	715 NW 1st Street	Vacant Parcel in CRA	5042-34-23-0011	$ 16,000.00	$ 16,100.00	7/31/2012	Sold 4x since 2012 Still Vacant	Broker Breaker Inc
3	608 W. Dania Beach Blvd	Vacant Parcel in CRA	5042-34-01-2520	$ 54,000.00	**Did Not Sell**	Did Not Sell	Still Vacant City Owned	Rainbow Investment Realty
4	29 NW 5th Avenue	Vacant Parcel in CRA	5042-34-01-2320	$ 16,000.00	$ 16,000.00	7/16/2014	Still Vacant	Broker Breaker Inc
5	1221 NW 1st Street	Duplex in CRA	5042-33-10-0490	$ 89,000.00	$ 81,000.00	10/8/2013	Sold 1x since 2013 Duplex	Jean Cook Realty
6	47 NW 14th Avenue	Vacant Parcel in CRA	5042-33-01-0190	$ 14,000.00	**Did Not Sell**	Transfered to CRA Feb. 2018	CRA Owned Plans developed	Broker Breaker Inc
7	5180 SW 26th Avenue	Single Family Home in CRA	5042-32-18-0050	$ 68,000.00	$ 68,000.00	6/27/2012	Single Family Home	Exit Realty Today
8	21 NW 6th Avenue	Duplex in CRA	5042-34-01-2481	$ 101,000.00	$ 91,000.00	8/31/2012	Duplex	Daniel Diefenbach II
9	1303 SW 2nd Avenue	Duplex in CRA	5142-03-10-6100	$ 89,000.00	$ 89,000.00	9/12/2012	Duplex	AJ Ryan Realty
10	47 SW 15th Street	Vacant Parcel in CRA	5142-03-10-5750	$ 13,600.00	$ 13,700.00	6/20/2012	Sold 1x since 2012 Still Vacant	Broker Breaker Inc